

EXHIBIT “B”

COPY

1 UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF NEW JERSEY
3 CASE NO. 2:10-cv-05108 (DMC) (JAD)

4 JACKSON HEWITT, INC., :

5 Plaintiff, :

6 vs. :

7 BARNES ENTERPRISES, INC. :

8 AND RICHARD S. BARNES, :

9 Defendants. :
10

11 - - -
Wednesday, June 27, 2012
12 - - -

13 Oral deposition of WILLIAM SCOTT
14 BARNES, held at the Law Offices of TURNER, PADGET,
15 GRAHAM & LANEY, P.A., 1901 Main Street, 17th Floor,
16 Columbia, South Carolina, commencing at 12:01 p.m.
17 on the above date, before Angela D. Zuver, Court
18 Reporter and Notary Public in and for the State of
19 South Carolina.
20

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22
23 LOVE COURT REPORTING, INC.
1500 Market Street
24 12th Floor, East Tower
Philadelphia, Pennsylvania 19102
25 (215) 568-5599

William Scott Barnes

1 activities were operated -- as I mentioned, were
2 organized under a different legal structure, okay,
3 a different entity -- legal entity is my
4 understanding.

5 Q. How did you learn about the fact that
6 Jackson Hewitt had terminated Richard Barnes or, as
7 you put it, required a closedown of the Jackson
8 Hewitt tax preparation operations?

9 MR. PARKS: Objection. You can answer.

10 THE WITNESS: Go ahead and answer it?

11 MR. PARKS: Yeah.

12 THE WITNESS: All right. The -- well,
13 there were a couple of ways. One was that the
14 computer was shut down, okay, the access, you know,
15 to the Jackson Hewitt network, so to speak. What
16 we call the JH net, right? And at the same time
17 that happened the -- that I recall, Richard sent
18 out a letter, or it might have been an e-mail --
19 some kind of written communication to everyone
20 telling them that that had taken place.

21 And we also -- I do remember we had a
22 meeting of the district managers in Sumter and at
23 that meeting, you know, he said, this is my last
24 meeting and this is the last activity I'll be able
25 to have with the company and so on. You know, he

William Scott Barnes

1 basically said that Jackson Hewitt had been closed
2 down and that he could no longer continue in the
3 tax business.

4 So it was a combination of things. The
5 computer was shut down and then there was written
6 notice that went out and then there was the
7 meeting.

8 BY MR. DIENELT:

9 Q. Prior to that time were you aware of
10 any plans or preparations that Richard Barnes had
11 made to go independent from Jackson Hewitt?

12 A. No. The -- I'm not aware of anything.
13 It all came as a shock to me. The separation from
14 Jackson Hewitt came as a shock to me, okay? The --
15 I didn't understand it. Still don't fully
16 understand it, okay, why it all took place. I
17 don't know what the issues were, but he just
18 advised me and the other managers, as I mentioned,
19 in the meeting in Sumter and then the people that,
20 you know, he was pulling away from Jackson Hewitt.

21 Q. Were you aware of the status of any
22 past due royalties and advertising fees that
23 Richard owed?

24 A. I've heard about that subsequently. I
25 found out in the last, you know, year or so that

William Scott Barnes

1 Wal-Marts. We had Wal-Marts, uh-huh.

2 Q. Some Bi-Los?

3 A. Yes.

4 Q. And who was in charge of these
5 operations?

6 A. I was in charge of the field
7 operations.

8 Q. To whom did you report?

9 A. I reported basically to Kristi, okay?
10 The -- Richard was not available at all, I mean, in
11 the -- I remember I wanted him to be -- I wanted
12 him to be more available, you know, because he --
13 he handled the computer part of the business, you
14 know, the setting up of computers and all of that
15 and I wanted him to be more available, but he
16 basically was -- said he couldn't do it. So it was
17 left with me doing the field supervision, which is
18 what I had kind of always done, and then the other
19 district managers and then Kristi. And she kind of
20 took over the business end.

21 Q. What was her role?

22 A. Well, to give an example, you know,
23 questions about time sheets, payroll, you know
24 the -- these people calling me about leases and all
25 that kind of stuff, I would refer all that to